



DEPARTMENT OF THE NAVY
NAVAL SUPPLY SYSTEMS COMMAND
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COMMERCIAL
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IN REPLY REFER TO:

4226
Ser 21B2/9115
SA99-24
16 Jul 99

From: Commander, Naval Supply Systems Command

Subj: AUTHORITY TO PURCHASE ITEMS ASSIGNED FOR INTEGRATED MATERIAL
MANAGEMENT (IMM) FROM OTHER SOURCES

Ref: (a) OASN (RD&A)(ABM) memo of 21 May 99
(b) DFARS 208.7003-1
(c) NAVSUPINST 4200.94 of 29 Jun 99

Encl: (1) OUSD (A&T) memo of 11 May 99

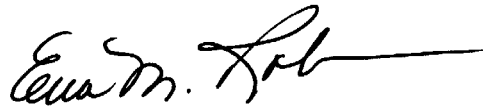
1. Recent findings by the Department of Defense (DoD) Inspector General indicate that DoD activities are not using the authority provided by the Defense Federal Acquisition Regulation Supplement (DFARS) to purchase items assigned for integrated material management from other sources. Reference (a) requested Department of Navy (DON) Program Managers inform their field activities of the guidance contained in DFARS 208.7003-1 regarding assignments under integrated material management.

2. In accordance with reference (b), items assigned for integrated material management can be acquired from other sources if; the items are purchased under circumstances of compelling urgency as defined in FAR 6.302-2, the IMM Manager has coded the item for local purchase or using other sources has been determined to be in the "best interest of the government" in terms of quality, timeliness and cost. The noted exceptions provide DON contracting officers and purchase cardholders substantial authority to purchase items assigned for integrated material management from other sources.

3. The authorization to acquire IMM managed items from other sources does not apply to the following classifications; items critical to the safe operation of a weapon system, and items with special security characteristics, or items which are dangerous (e.g., explosives, munitions, etc). Reference (c) specifically prohibits purchase cardholders from using the purchase card to acquire the items identified above. DON Agency Program Coordinators and Approving Officials should ensure that the classes of prohibited items noted above are identified to their cardholders.

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4. For questions regarding this policy contact Ms. Amy Coleman,
SUP 21B2 at 717-605-7498, DSN 430 or Internet
amy_coleman@navsup.navy.mil.

A handwritten signature in black ink, appearing to read "Eva M. Robinson", with a long horizontal flourish extending to the right.

EVA M. ROBINSON
By direction



OFFICE OF THE UNDER SECRETARY OF DEFENSE

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WASHINGTON, DC 20301-3000

ACQUISITION AND
TECHNOLOGY

(L/MDM)

MAY 11 1999

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY
(ACQUISITION, LOGISTICS, AND TECHNOLOGY)
ASSISTANT SECRETARY OF THE NAVY
(RESEARCH, DEVELOPMENT, AND ACQUISITION)
ASSISTANT SECRETARY OF THE AIR FORCE (ACQUISITION)

SUBJECT: Authority to Purchase Items Assigned for Integrated
Materiel Management From Other Sources


Recent findings by the Department of Defense (DoD) Office of Inspector General indicate that DoD activities should be reminded that they have substantial authority to purchase items assigned for integrated materiel management items from other sources. The DoD Federal Acquisition Regulation Supplement (DFARS) grants authority for local purchase of items assigned for Integrated Materiel Management under circumstances of unusual and compelling urgency, or when a supply system code for local purchase is assigned or the Integrated Materiel Manager otherwise grants authority to purchase locally.

In addition, DFARS 208.7003-1 grants local purchase authority to obtain items from sources other than the Integrated Materiel Manager when such action "...is in the best interest of the Government in terms of the combination of quality, timeliness, and cost that best meets the requirement." Please note that this provision does not apply to items: (a) critical to the safe operation of a weapon system; (b) with special security characteristics; or (c) that are dangerous. In addition, if purchases made under this provision exceed the micro-purchase threshold in FAR Part 13, the contract file must be documented with a statement of the specific advantage of local purchase. Finally, a waiver must be obtained from the Integrated Materiel Manager prior to the initiation of an acquisition exceeding the simplified acquisition threshold in FAR Part 13.



ENCLOSURE(1)

The local purchase authority discussed above provides an important tool to DoD activities that can be used to help meet Secretary of Defense Cohen's commitment in the Defense Reform Initiative Report to expand the degree to which buying decisions are made by the people who need the products. I request that you forward this reminder to your field activities.


for Roger W. Kallock
Deputy Under Secretary
of Defense (Logistics)

cc:

Deputy Chief of Staff (Logistics), USA

Deputy Chief of Naval Operations (Logistics)

Deputy Chief of Staff (Installations & Logistics), USAF

Deputy Chief of Staff for Installations & Logistics, HQ USMC